

DEPARTMENT OF CHILDREN  
AND FAMILIES  
201 East Washington Avenue, Room G200  
P.O. Box 8916  
Madison, WI 53708-8916  
Telephone: 608-266-8684  
Fax: 608-261-6972  
www.dcf.wisconsin.gov



State of Wisconsin  
Governor Tony Evers

Department of Children  
and Families

TO: **Child Care Eligibility and Authorization Workers  
and Supervisors  
Income Maintenance Supervisors  
Income Maintenance Staff  
Training Staff  
Child Care Coordinators**

FROM: Kath McGurk, Director  
Bureau of Early Learning and Policy  
Division of Early Care and Education

DECE/BELP OPERATIONS MEMO

No: 19-40

DATE: 10/16/2019

Wisconsin Shares Child Care

**SUBJECT: Disregard of Private Student Loans as Countable Income for  
Wisconsin Shares Child Care**

**CROSS REFERENCE:** [Wisconsin Shares Child Care Policy and Process Handbook](#)  
Sections 1.4.2 and 1.4.3,  
Operations Memo 15-14 (Obsolete)

**EFFECTIVE DATE:** November 1, 2019

**PURPOSE:** The purpose of this Operations Memo is to inform local Income Maintenance (IM) agencies of a policy change related to private student loans for Wisconsin Shares Child Care.

**BACKGROUND:** Currently, Wisconsin Shares Child Care counts private student loans in an assistance group's budget if the loan is not used for tuition and books. However, all other loans are disregarded income for Wisconsin Shares Child Care. These policies will now be reconciled to disregard all loans in the Wisconsin Shares Child Care financial eligibility test.

**POLICY:** The following new policy will be added to the Wisconsin Shares Child Care Policy and Process Handbook with the next release. Policy that will be removed is indicated with red strikethrough; new policy is indicated by yellow highlighting.

**Section 1.4.2 Income that is Included in the Financial Eligibility Test**

Income that is ~~counted towards~~ **included in** the Wisconsin Shares Child Care ~~budget~~ **financial eligibility test** includes, but is not limited to:

- Money, wages or salary; for individuals enrolled in Trial Employment Match Program (TEMP), Transform Milwaukee Jobs (TMJ), or Transitional Jobs (TJ) include the portion of the wage that is unsubsidized according to the Employer Agreement Form.
- Income from self-employment: the sum of net earnings as reported to the Internal Revenue Service (IRS) plus depreciation expenses, personal business and entertainment expenses, personal transportation costs, purchases of capital equipment, and payments on the principal of loans
- Dividends
- Interest on savings or bonds
- Income from estates or trusts
- Net rental income or royalties
- Supplemental Security Income (SSI) of adults in the Assistance Group
- Social Security payments (including old age, survivorship, and disability) of all members in the Assistance Group
- Pensions and annuities
- Unemployment insurance
- Worker's compensation
- Alimony and other maintenance payments
- All of the Wisconsin Shares Child Care Assistance Group's monthly child or family support payments if the amount is greater than \$1,250 per month
- Veteran pensions
- ~~Private student loans that are not used for tuition and books~~
- Educational aid including grants and scholarship that are not used for tuition and books
- Capital gains income from selling securities and other property, rental income, and royalties
- Any other amounts paid to members of the Wisconsin Shares Child Care Assistance Group, unless the income is excluded as provided in sections 1.4.3. and 1.4.4

### Section 1.4.3 Income that is Not Included in the Financial Eligibility Test

The income types listed below are excluded from the Wisconsin Shares Child Care ~~budget~~ financial eligibility test:

- Overpayment collections that are withheld from Social Security, Unemployment Compensation or other programs that do not base eligibility on income and assets
- Child Support Payments: Court-ordered child support or family support payments if the aggregate amount paid to the Wisconsin Shares Child Care Assistance Group members is \$1,250 or less per month. Note: If the aggregate amount exceeds \$1,250 per month, the entire amount is counted as income in the Wisconsin Shares Child Care budget.

- Earned Income and Supplemental Security Income (SSI) payments of Minor Dependents
- Earned Income Credit (EIC), income received under the federal/state EIC, or payments made by an employer under the federal advanced EIC
- State and federal tax refunds and Homestead Credit Payments
- Education Programs: Higher Education Act of 1965 (PL 89-329) and the Employment Skills Advancement Program
- Educational Aid: educational aid received under a state or federal program or scholarship funds used for tuition and books
- Work Study Income
- Income received for Foster Care, Kinship Care, Subsidized Guardianship, or Adoption Assistance payments
- Loans (~~not~~ including educational aid **loans and private student loans**)
- Reverse Mortgage Loan Proceeds (1993 Wisconsin Act 88)
- Job Access Loans
- In-Kind Income: non-cash reimbursements such as meals, clothing, housing, and garden produce
- Benefits for Students Aged 18 Years Old
- W-2 payments (Community Service Job [CSJ], W-2 Transition [W-2 T], Custodial Parent of an Infant [CMC], At Risk Pregnancy [ARP], Stipends for Noncustodial Parents [TSP], or Case Management Follow-Up Plus [CMF+] payments), Emergency Assistance payments, and Wisconsin Shares Child Care subsidy payments
- The wage subsidy portion of income from Trial Employment Match Program (TEMP), Transform Milwaukee Jobs (TMJ), or Transitional Jobs (TJ)
- Reimbursements: money paid to the individual to reimburse actual expenses incurred or paid, or both. May include a per diem allowance for travel, uniforms, transportation, out-of-pocket expenses, medical reimbursements, or reimbursement for a volunteer's out-of-pocket expenses incurred in the course of his/her work
- Gifts: Cash gifts, such as for birthdays, graduation and holidays
- Earmarked Funds (previously titled "Windfalls"): Any amount received that is earmarked and used for the purpose it was paid, such as back medical bills from an accident or injury, funeral and cemetery costs, and replacement or repairs. For medical services which can be provided only at a future date: Disregard any amount earmarked for those services, provided there is a signed agreement specifying: the source and amount of the settlement; the purpose for which it is earmarked; that the amount is held in its own account; and that it is agreed to and understood that if all or part of the settlement is used for a purpose other than for what it is earmarked, that amount used will be considered available income and counted when determining eligibility and copayments.

- Federally-Funded Benefits: Any income from sources required to be disregarded by federal or state law. Such sources include, but are not limited to: Nutrition Program benefits from National School Lunch Act (PL 79-396), Food Stamp Act of 1977 (PL 88-525), Child Nutrition Act of 1996 (PL 89-642); Indian Tribal Federal Settlements; Housing Act of 1949 (PL 81-171); Older Americans Act (PL 89-73); Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646); Robert T. Stanford Disaster Relief and Emergency Act (PL 93-288); Housing and Community Development Amendments of 1978 (PL 95-557), however, wages from the act may be counted as income; Low Income Energy Assistance Act of 1981 (PL 97-35); Old Age Assistance Claims Settlement Act (PL 98-500); Workforce Investment Act: WIA for Adults, Rapid Response, and Dislocated Workers, National Emergency Grants, Trade Adjustment Act, unless specifically earmarked for child care expenses; Refugee Resettlement Reception and Placement income for Iraqi and Afghan immigrants who have been granted Special Immigration Visas (SIVs) under Section 1059 of the National Defense Authorization Act (PL 109-163).

### **CARES WORKER WEB (CWW)**

Effective October 19, 2019, the following codes will be removed from the Educational Income and Expense Table on the CWW Educational Aid page. These codes are:


- LG-Private Loans/Grants
- SC-Private scholarships that are not used for tuition or books

Reference Table Information

Table ID: TEEI

Table Description: EDUCATIONAL INCOME AND EXPENSE

Effect

Language: E - ENGLISH 

1 - 25 of 30 items

Code	EDU INC & EXP DESCR
<input type="text" value="Search"/>	
AM	AMERICORPS/HEALTHCORPS GRANTS
HS	HEP: HIGH SCHOOL EQUIVALENCY
LG	PRVT LO/GRANT
LO	LOANS COUNTABLE
MI	MISCELLANEOUS PERSONAL EXPENSE
NC	NOT COUNTABLE LOANS/GRANTS
NE	NATIONAL EARLY INTERVENTION
OF	ORIGINATION/GUARANTEE/LOAN FEE
OT	OTHER EARMARKED/DOCUMENTED EXP
PE	PELL/BEOG
PL	PERKINS LOANS (NDSL)
RB	ROBERT BYRD HONORS SCHOLARSHIP
RM	ROOM AND BOARD
SC	PVT SCHLR not books/tuition.

Workers will need to transition to the following codes:

Current Code	New Code
LG-Private Loans/Grants	NC-Not Countable Loans/Grants
SC-Private scholarships that are not used for tuition or books	GR-Grants/Scholarships Countable

### **WORKER ACTION**

An IM Coordinator Notice will be sent to local agencies with a link to the SharePoint site that contains a report of cases that are currently using the LG or SC codes on the Educational Aid page in CWW. The notice will have instructions to transition from these codes to the codes indicated above. Any codes not changed by October 19, 2019 will simply display as “LG” and “SC” without the description. These codes will need to be updated for educational aid to correctly be counted or disregarded in the Wisconsin Shares Child Care financial eligibility test.

### **CONTACTS:**

For Wisconsin Shares Child Care policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at [BROCCPolicyHelpDesk@wisconsin.gov](mailto:BROCCPolicyHelpDesk@wisconsin.gov).

For Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Subsidy and Technical Assistance line at: [childcare@wisconsin.gov](mailto:childcare@wisconsin.gov) or (608) 422-7200.

DCF/DECE/BELP/ERR